

AMENDED IN ASSEMBLY MARCH 20, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1575

Introduced by Assembly Member Pan
(Coauthor: Assembly Member Achadjian)

January 30, 2014

An act to add Section 10377 to the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 1575, as amended, Pan. Public contracts for services: reports: termination of service contracts.

Existing law sets forth requirements for the acquisition of goods and services by state ~~agencies and~~ *agencies*, sets forth the various responsibilities of the Department of General Services and other state agencies in overseeing and implementing *those* state contracting procedures and policies, *and provides that a willful violation of its provisions for which another punishment is not provided is a misdemeanor.*

This bill would require contracts for personal services to include specific performance criteria and cost parameters, require reports by the contractor, and provide for cancellation by the contracting agency if the contractor fails to comply with contract requirements or the law, *as specified.*

By expanding the definition of an existing crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state.

Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: ~~no~~ yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 10377 is added to the Public Contract
2 Code, to read:
3 10377. Any service contract shall incorporate specific
4 performance criteria and cost parameters, and the contractor shall
5 submit quarterly reports to the state agency's contracting official
6 on the contractor's compliance with the performance criteria and
7 actual costs incurred *amounts billed to the state agency.* The service
8 contract may be ~~cancelled~~ *canceled* if the contractor fails to comply
9 with the performance criteria and other requirements set out in the
10 contract and if annual ~~costs~~ *charges* exceed those established by
11 the contract. The contract may be ~~cancelled~~ *canceled* at any time
12 if the contractor fails to comply with all applicable local, state,
13 and federal laws, regulations, and statutes *related to the contract.*
14 SEC. 2. *No reimbursement is required by this act pursuant to*
15 *Section 6 of Article XIII B of the California Constitution because*
16 *the only costs that may be incurred by a local agency or school*
17 *district will be incurred because this act creates a new crime or*
18 *infraction, eliminates a crime or infraction, or changes the penalty*
19 *for a crime or infraction, within the meaning of Section 17556 of*
20 *the Government Code, or changes the definition of a crime within*
21 *the meaning of Section 6 of Article XIII B of the California*
22 *Constitution.*